

**Supporting Statement for
Paperwork Reduction Act Information Collection Submission
OMB Control Number 1035-0004
“Trust Funds for Tribes and Individual Indians,
25 CFR 115”**

Terms of Clearance: None

General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When Item 17 of the OMB Form 83-I is checked "Yes", Section B of the Supporting Statement must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The American Indian Trust Fund Reform Act of 1994, codified as 25 USC 4001, directs the Secretary of the Interior to establish guidelines to carry out the trust duties owed to tribes and individual Indians to manage and administer trust funds exclusively for them as beneficiaries. The provisions contained in 25 CFR Part 115 describe three (3) major trust fund account types and methods utilized in the deposit, withdrawal and investment of these trust funds. Part 115 is applicable to both tribes and individual account holders. The administration of tribal fund accounts are detailed in 25 CFR 1200 and Subpart G of 25 CFR 115, while the administration of Individual Indian Monies (IIM) trust accounts are emphasized in 25 CFR 115.

In order to establish IIM accounts for individual Indian beneficiaries, the Office of the Special Trustee for American Indians (OST) must regularly collect the type of information normally required by banks and other financial institutions on account holders, e.g., name, address, telephone number, date of birth and Social Security Number, etc., along with information pertaining to how, when, and to whom account holders wish to have disbursements made from their accounts.

OST, together with the Bureau of Indian Affairs, must also, on occasion, collect information from third parties with a legal interest in particular accounts, e.g., a guardian of an account holder who is a minor child, or a court of competent jurisdiction awarding child support from an IIM account, in order to comply with instructions from these parties, and from account holders requesting a hearing to challenge restrictions imposed on their account by third parties.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. [Be specific. If this collection is a form or a questionnaire, every question needs to be justified.]

All of the information collected is used to manage and administer accounts established for their respective beneficiaries.

The primary purposes of the information collected on a regular basis are threefold: (1) initial set-up of and supplemental information for an IIM account, (2) authorization for the disbursement of trust funds from an IIM account, and (3) change of address for an IIM account holder. This information collected was formerly collected on three different forms: OST 01-004, 01-005, and 01-006. Each of these forms was designed to be filled in by the individual account holders themselves and be submitted, either in person, or by mail, to OST.

However, since October 31, 2003, when these forms were last approved by the Office of Management and Budget as part of information collection 1035-0004, OST has, through an active outreach effort, extensively publicized the fact that new and existing IIM account holders can provide the information required to accomplish these three purposes over the telephone, via a toll free number, rather than submitting it in person or by mail. These efforts to improve customer service to IIM account holders have proved to be very successful. OST currently estimates that nearly all information collection transactions designed to accomplish these purposes take place over the telephone. For this reason, and because each of these three forms asked for most of the same basic information, OST has consolidated them into a single form which can be used either to set up an account, provide for disbursement of an account, and serve as change of address instructions. This new form, numbered OST 01-004/6, asks for only that information needed to accomplish the several purposes for which it was designed.

Question Justification:

1. Question 1 asks for the account holder's IIM account number. This is needed to identify an existing account when changing disbursement instructions or address information.
2. Question 2 asks for the account holder's name, both current name and any other names by which he or she may have been identified in the IIM system. This is

- needed to identify the individual for whom an account is being opened, or modified, and to prevent the establishment of duplicate accounts for the same individual.
3. Question 3 asks for the account holder's date of birth and Social Security Number. These are needed to legally and uniquely identify the individual for whom an account is being opened, or modified, since more than one account holder may have the same name.
 4. Question 4 asks for the account holder's telephone number. This is needed to enable OST to contact the account holder, when required, by telephone.
 5. Question 5 asks the account holder to identify his or her preference with respect to whether or not the funds deposited into his or her account should remain there, until a separate disbursement request is filed with OST, or if they should be deposited to a bank account maintained by the account holder or third party of the account holder's choice. It provides a variety of options as to the payment schedule that may be elected by the account holder. This is needed in order to allow account holders to access funds deposited into their accounts.
 6. Question 6 asks for the information pertaining to the bank account maintained by the party into whose account disbursements are to be made. It also provides the account holder with the option of receiving disbursements by check. This is also needed to effect the disbursement option selected in response to question 5.
 7. Question 7 asks for information pertaining to the account holder's former and current address, in cases of change of address. This is needed to enable OST to contact the account holder, when required, by postal mail.
 8. Question 8 asks for information pertaining to the address to which disbursements by check are to be mailed, when this option is selected in question 6. This is needed to enable OST to mail disbursement checks to account holders and their designees.
 9. Question 9 asks for the account holder's signature or thumbprint. This is needed to verify the identity of the account holder and authenticate his or her instructions, when the form is filled in by the individual account holder.
 10. Question 10 asks for the date on which the account holder fills out the form. This is needed to establish the date on which the transaction in question takes place.
 11. Question 11 asks for information identifying a witness to the account holder's signature or thumbprint, when the form is filled in by the individual account holder. This is needed to verify the identity of the account holder.

The remainder of the form is used when the form is filled in not by the account holder but by an OST employee, in response to a telephone call placed by the account holder. This portion of the form is filled in by an OST employee.

The purpose and type of information collected on an occasional basis, in each of the four separate occasions described and provided for in 25 CFR, vary. In 25 CFR 115.417, individuals serving as custodial parents or legal guardians of minor children who are account holders are asked to provide receipts for expenditures of funds disbursed from the child's IIM account to enable the BIA to ensure that the funds disbursed are used for the direct benefit of the minor child and in accordance with any

legal limitations placed on the use of these funds. In 25 CFR 115.503, individuals making funeral arrangements for a deceased IIM account holder are asked to provide an itemized estimate of the cost of the service to be rendered, and an identification of the service provider to enable the BIA to ensure that the funds disbursed are used for the direct benefit of the deceased account holder, for the purpose for they are being requested. In 25 CFR 115.601, third parties, such as a court of competent jurisdiction awarding child support from an IIM account, are asked to provide a copy of the appropriate order relating to the encumbrance that it is seeking to place on an individual IIM account, in order that OST can comply with all relevant laws relating to such legal actions. In 25 CFR 115.607, individual account holders asking the BIA to hold a hearing to challenge an encumbrance placed upon their accounts, such as are permitted by 25 CFR 115.601, are asked to make such requests in writing, and file them within a specified time period, in order that the BIA can ensure that it receives formal notification of such requests in a timely manner, and can schedule one, accordingly. All four of these occasional information collections are non-form collections.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden [and specifically how this collection meets GPEA requirements].**

In December of 2001, the Office of the Special Trustee was forced to disconnect from the internet by a court order issued by the judge in the Cobell litigation. For this reason, OST cannot allow IIM account holders either to access or supply their trust account information electronically. Once OST is granted legal permission to restore connection to the internet, this option will be vigorously pursued.

In the interim, however, OST has conducted extensive outreach efforts with IIM account holders, informing them of the opportunity to provide the information required to establish new accounts, change disbursement instructions, or file a change of address with OST, to OST staff over the telephone via a toll-free line. These efforts have been largely successful in reducing the time required to complete the forms, and hence the burden on the public required to use them, from ½ hour per transaction to ¼ hour per transaction. Currently, nearly all of the transactions of this type processed by OST are conducted by telephone.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The Office of the Special Trustee for American Indians is the only federal agency authorized to oversee trust fund accounts for individual Indians and tribes. While other federal agencies may manage assets held in trust by the United States on behalf

of individual Indians and tribes, the accounting aspect for the trust funds lies exclusively with the Office of the Special Trustee for American Indians.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

These collections of information do not have a significant impact on small businesses or other small entities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The information collected is the minimum required to establish and manage trust fund accounts for their beneficiaries. The Federal Government has a fiduciary obligation to establish and maintain trust funds for the benefit of individual Indians and tribes. If the information is not collected, the account holders would have no way of gaining access to their funds. The frequency of collecting the information is dependent upon the needs of the account holders for access to funds in existing accounts. As described in response to question 3, above, the primary legal obstacle to making account information more readily accessible to account holders, and to allowing them an opportunity to provide information electronically, is the court order issued by the judge in the Cobell litigation.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- * **requiring respondents to report information to the agency more often than quarterly;**
- * **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- * **requiring respondents to submit more than an original and two copies of any document;**
- * **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
- * **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- * **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- * **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- * **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has**

instituted procedures to protect the information's confidentiality to the extent permitted by law.

None of these special circumstances apply to this information collection.

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice [and in response to the PRA statement associated with the collection over the past three years] and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. [Please list the names, titles, addresses, and phone numbers of persons contacted.]

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A Federal Register notice soliciting public comments on the information collection was published on August 3, 2006 (volume 71, number 149, pages 44042-44043). No comments were received from the public in response to this notice, or in response to the Paperwork Reduction Act statement associated with the collection over the past three years.

Because OST outreach efforts to publicize the availability of its toll-free telephone number have been so successful that nearly all regular transactions are now conducted over the telephone, as discussed in questions 2. and 3. above, OST did not contact any individuals filling out OST forms 01-004, 01-005, or 01-006 in paper to validate its prior estimates of the time required to respond to this portion of the information collection. Instead, it used the electronic logs created by OST staff manning the toll-free telephone lines who filled out the forms on behalf of account holders to determine that the average time to fill out any one of these forms was approximately ¼ hour. This represents a decrease of 50% of the time (and burden on account holders) required to collect this information, per transaction, as compared to our previous estimate when this collection was last approved by OMB.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payment or gifts are given to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

These collections contain information that is covered by the Privacy Act of 1974, as amended. Within the Office of the Secretary, they are covered by Privacy Act System of Records Notice “Individual Indian Money (IIM) Trust Funds—Interior, OS—02 (66 FR 13945). In accordance with the Privacy Act and OST policy, beneficiaries are afforded confidentiality with respect to their trust accounts. Information obtained in this information collection is shared only with OST staff whose duties required access to trust account information. Trust account information is not shared with anyone outside OST without the account holder’s express permission. The primary use of information is for managing the collection, investment, distribution, and disbursement of income derived from trust resources, disclosing to account holders via quarterly statements and upon request the status of their accounts, and for the management of trust fund programs. The authority for maintenance of the system, and basis for confidentiality is found at 25 USC 116, 117 (a) (b) (c), 118, 119, 120, 121, 151, 159, 161 (a), 162 (a), 4011, and 4043(b) (2) (B).

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature posed by this collection of information. The type of personal information requested, which does include date of birth and Social Security Number, serves as a means of establishing and verifying the identity of account holders. These collections are common to standard applications encountered by beneficiaries when establishing accounts with commercial banking institutions.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- * Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

- * **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- * **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

As discussed in response to question 8, above, estimates of the hour burden of the regular collection of form-based information collections were based on logs created by OST staff manning the toll-free telephone lines who collected information directly from respondents and filled out forms electronically on their behalf, when applicable.

Currently there are approximately 302,065 individual IIM account holders. On an annual basis, OST estimates each of these account holders, on the average, responds, four times a year to this information collection's form-based collection (CFR sections 115.101, 115.409, and 115.705) to provide information to set up his or her IIM account, change his or her disbursement instructions, or change his or her address of record. Additionally, OST estimates that each of these account holders, on the average, files a request to challenge an encumbrance on his or her individual IIM account once every four years (CFR section 115.607). For all of the other CFR sections which authorize the government to collect information from a segment of the public to support the process of managing Indian trust fund accounts, OST estimates that the number of respondents is, on the average, equivalent to the number of responses received per year. This means that, on the average, OST expects to collect information from approximately 1,425 custodial parents or legal guardians of minor children who are account holders (CFR section 115.417), 30,000 individuals making funeral arrangements for deceased IIM account holders (CFR section 115.503), and 45,000 third parties, such as courts of competent jurisdiction awarding child support from an IIM account, placing legal encumbrances upon individual IIM accounts (CFR section 115.601).

The following table summarizes the results of these transactions vis-à-vis the hourly burden associated with the collection of information from these parties:

<u>CFR section</u>	<u># of annual responses</u>	<u>hourly burden per response</u>	<u>total burden</u>
--------------------	------------------------------	-----------------------------------	---------------------

Form-based information collections (OST forms 01-004, 01-005, and 01-006):

115.101*			
115.409*	1,208,260	¼ hour	302,065 hours
115.705*			

Non-form-based information collections:

FOR ALL COLLECTIONS

*These three sections have been grouped together for estimation purposes because OST forms 01-004, 01-005, and 01-006 are being consolidated into OST form 01-004/6 with this submission, as explained above in response to question 2.

13. Provide an estimate of the total annual [non-hour] cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- * **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
- * **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- * **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

There is no additional annual cost burden for respondents in providing the information covered by these information collections. All of the information provided is either readily or customarily available to respondents, such as legal address of IIM account holders, or generated in the customary course of doing business, such as a legal order from a court of competent jurisdiction awarding child support from an IIM account.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead,

printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

OST’s estimate of the annualized cost to the Federal government of collecting the information covered by these information collections is summarized in the table below. In this table, the cost to the Federal government is based varying amounts of on labor keyed to three different salary rates, that of a GS 7, step 2, government employee, at a rate of \$17.39, adjusted for benefits at a rate of 25%, or \$21.74; that of a GS 13, step 2, government employee, adjusted for benefits at a rate of 25%, or \$45.85; and that of a GS 14, step 2 government employee, adjusted for benefits at a rate of 25% or \$54.18.

CFR section # of annual responses hourly cost per response¹ total cost

Form-based information collections (OST forms 01-004, 01-005, and 01-006):

115.101*			
115.409*	1,208,260	¼ x \$21.74 = \$5.435	\$6,566,893.10

115.705*

Non-form-based information collections:

115.417	1,425	1 x \$45.85 = \$45.85	\$ 65,336.25
115.503	30,000	½ x \$45.85 = \$22.925	\$ 687,750.00
115.601	45,000	1 x \$54.18 = \$54.18	\$2,438,100.00
115.607	75,000	1 x \$54.18 = \$54.18	\$4,063,500.00

TOTAL COST TO FEDERAL GOVERNMENT FOR ALL COLLECTIONS			\$13,821,579.35
---	--	--	-----------------

*These three sections have been grouped together for estimation purposes because OST forms 01-004, 01-005, and 01-006 are being consolidated into OST form 01-004/6 with this submission, as explained above in response to question 2.

With respect to this cost, please note that the cost to the Federal government of complying with other requirements of the American Indian Trust Fund Reform Act of 1994, as codified in 25 USC 4001, (e.g., 115.806, the cost of developing a Tribal judgment use and distribution plan; 115.421, the cost of developing a minor’s

¹ Hourly cost per response is based on labor salary rate x number of hours at that salary rate. For example, 1/4 hour of a GS 7, step 2, salary is expressed would be expressed in this table as ‘1/4 x \$21.74 = \$5.435’.

distribution plan; and 115.427, the cost of conducting an annual review of a minor's supervised account) all of which are not directly associated with the information collections covered by 1035-0004, have not been included in this table.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

The total burden hours requested in this submission of this information collection total 456,528. This number represents a decrease in burden of 15,686 hours from the number of hours previously approved (472,214). There are a number of interlocking reasons for this adjustment in OST's estimate.

First of all, due to the fact that most of responses to the information collection are collected over the telephone, using OST's toll-free number, OST has a much more accurate estimate of the actual time required to collect the information in question. (OST staff who collect the information over the telephone are required to log the type of transaction that occurs during each call, and the amount of time taken by the call.) By and large, this increase in accuracy of the estimate has resulted in a lowering of the average time required to provide the information required to accomplish the desired transaction, as, for example, the reduction in time required to provide the information required to complete OST forms 01-004, 01-005, and 01-006 from ½ hour per transaction to 1/4 hour per transaction.

Paradoxically, however, the increase in ease of providing the information required to accomplish the desired transactions, in moving from a primarily-paper-form-based collection to a telephone-call-center collection, has apparently lead to a significant increase in the number of actual transactions taking place. When last approved, there were approximately 285,000 individual IIM account holders; currently there are approximately 302,065 individual IIM account holders. An increase of 17,065 individual account holders in the past three years cannot – by itself – explain an increase in projected number of annual responses for OST forms 01-004, 01-005, and 01-006 (when combined into the new form 01-004/6) from a total of 428,925 to an annual total of 1,208,260. OST's current estimate of the number of annual responses for these forms – based on actual data collected over the past several years -- can best be explained by surmising that, whereas in the past, when individual IIM account holders were accustomed to transacting business with their accounts using paper forms, they each averaged only a single transaction per calendar year, now, due to the increased ease in supplying the information to OST over the telephone, they average four transactions per calendar year. Due to this increase in the number of transactions occurring each year, the reduction in the burden hours is not nearly so large as would otherwise be expected by halving the estimate in the transaction time, as discussed above.

Finally, the adjustment in OST's current estimate is also due to the fact that, apparently, prior to submitting this information collection to OMB for initial approval, in 2003, OST did not adjust its estimate of total burden hours to account for the fact that several CFR citations for which burden hours were included in its total, i.e., 25 CFR 115.813, 115.814,

25 CFR 115.815, and 25 CFR 115.820, were already covered by a separate information collection, "Application to Withdraw Tribal Funds from Trust Status, 25 CFR 1200," approved without change on August 30, 2006, as OMB Control Number 1035-0003. Insofar as burden hours for these Tribal collections are currently covered by another information collection, it would be duplicative to include them here. For this reason, burden hours for transactions covered by these citations have not been included in the total burden for this information collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

OST has no plans to publish the information collected.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We will show the expiration date for OMB approval.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions requested for the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.